

## SUMMARY OF 2016 MID-YEAR

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**State: Utah**

**Name of Program: Air**

**Performance Year Being Summarized: 2016**

### **I. Regional Haze**

#### **Elyana Sutin to Discuss Lawsuits**

We received lawsuits from on March 27, 2015 from WildEarth Guardians and on March 31, 2015 from EarthJustice on behalf of HEAL Utah, NPCA and Sierra Club for our failure to approve a BART SIP for Utah or finalize a FIP by January 14, 2015.

#### **BART SIP**

On March 4, 2015 UDAQ requested its Board issue for public comment (April 1<sup>st</sup>-30<sup>th</sup>) a revised Regional Haze SIP to address the NO<sub>x</sub> BART requirements through a Better than BART (BTB) analysis. The BTB analysis takes credit for the expected closure of PacifiCorp's Carbon power plant (non-BART source). Utah's NO<sub>x</sub> BTB analysis includes an annual emissions comparison, a modeling demonstration, monitoring data, and other evidence which is intended to establish that the BART alternative achieves greater visibility improvement than source-specific BART. **We expect to see this revised SIP in July/August 2015.** (We have no issue with the PM BART limits. Utah just needed to do the analysis to justify the limits.)

The enviros want selective catalytic reduction (SCR) on the four BART units at the Hunter and Huntington Power Plants and contend that BART is SCR. Enviros argue that Utah's BTB alternative does not achieve greater visibility improvement than BART, because the 98<sup>th</sup> percentile modeling results averaged across the impacted Class I areas show that the most stringent BART option is better than the BTB alternative.

#### **Why is the BTB Analysis Potentially Better?**

- Combined emissions of NO<sub>x</sub>, SO<sub>2</sub> and PM will be 2,856 tons/yr lower under the BTB alternative than would be achieved by the most stringent NO<sub>x</sub> technology (SCR) on the four units subject to BART (PacifiCorp's Hunter Unit 1 and Unit 2 and Huntington Unit 1 and Unit 2). The BTB analysis considers the shutdown of Carbon Units 1 and 2 and existing NO<sub>x</sub> controls on Hunter Unit 3 (all non-BART units).
- Visibility modeling shows that BTB will provide visibility improvement on a greater number of days and greater average improvement across the impacted Class I areas.
- Reductions under the BTB alternative would also be achieved earlier than is required by the Regional Haze rule.
- Based on monitoring data, SO<sub>2</sub> reductions appear to achieve meaningful visibility improvement while that for NO<sub>x</sub> reductions is more uncertain. So there could be

- more benefit for the SO<sub>2</sub> reductions from the Carbon shutdown than the additional NO<sub>x</sub> controls under the most stringent BART option (SCR).
- It should be noted the difference between the BTB alternative and the most stringent BART option (SCR) using the 98<sup>th</sup> percentile modeling results is only about 0.2 deciviews.

## II. Budget

- DERA: State funds for DERA will be available for FY15. An email was sent by Rosalva Tapia in HQ's on 4/1/2015 to Lisa Burr, Bob Bowen and Brad Johnson explaining the procedure for submitting the appropriate paperwork to continue with the program. Once HQ's receives information from all states and territories, they will calculate final allocations. Right now, the estimate is a base allocation of \$110,000. Once final allocations are available we will work with your folks to develop a workplan and get application materials submitted. The FY15 funds will be added to the current state DERA grant, as an amendment. The FY15 funds will cover the time period of October 1, 2015-September 30, 2016.
- HQ's is working on an RFP for the competitive portion of the DERA funding. We expect that the RFP will publish sometime in late April/early May. We will pass along information on this funding opportunity when it is available.
  - Air 103: The "Please Apply" letter for the FY15 PM 2.5 funds was sent a few weeks ago. Your current grant closes March 30, 2015. We have advised our states to request a 30 day extension to the current grant to allow time for the new funding to be awarded.
  - Air 105: We have received final numbers from HQ's on the full year allocation and all funds have arrived in the Region. Melanie Wood's group will work to get the funding out in the next few weeks.

## III. Uinta Basin

- Region 8 is working closely with the state of Utah to develop an emission inventory (EI) on tribal land for the Uinta Basin's possible future ozone nonattainment area. We are supporting an EI effort that ensures that our efforts result in a SIP- and FIP-quality inventory on state and tribal land. DAQ has drafted an EI white paper/protocol that identifies the three sources of data that will establish the Phase 1 inventory, and the six components of an EI that are expected to account for 90% of the source-specific and site-specific emissions. We have agreed to move forward with a single, yet multi-jurisdictional, data warehouse to hold the emissions data.
- Region 8's Kyle Olson and Josh Rickard installed four air quality monitors donated by ORD, for schools in the Uinta Basin. Monitors were installed at Eagle View Middle School, Uinta River High School, La Pointe High School and Uinta

High School, with a fifth monitor co-located in Ft. Duchesne. Josh trained the school representatives on how to use the air monitors.

- EPA transferred grant management/oversight to the Tribe to operate the Ouray and Redwash monitors in the Uinta Basin. We transferred oversight of the Myton and White Rocks monitors on October 1, 2014, so the Ute Tribe now runs all four of the monitors located within the Reservation as part of their monitoring program.
- We are co-hosting with the Ute tribe a meeting with oil and gas operators on April 14, 2015. The purpose of the meeting is to engage industry with operations in the Uinta Basin in discussions concerning emission reductions from existing oil and gas sources on tribal lands. This will be a collaborative meeting with staff from the Ute Tribe, Utah Division of Air Quality, EPA and Uinta Basin industry operators.
- The Air Program developed a “Uinta Basin Air Program Strategy” in 2014, which details six Air Program areas for addressing air quality. These areas are: 1) Community Outreach; General Permit/Federal Implementation Plan for oil and gas; 3) Monitoring; 4) Deseret Power Plant Permit; 5) Ozone Advance; and 6) Winter Air Quality Studies.
- EPA has offered the Ute Indian Tribe’s Air Quality group technical assistance and capacity building through various research efforts. We have discussed assisting with the produced water pond measurement work that is currently underway using EPA’s OPSIS, which is a UV open-path spectroscopy instrument that measures benzene, toluene, and xylene. The equipment can be deployed and left for a few months to observe seasonal, diurnal and operational variations.
- We have also discussed conducting a field campaign to collect actual emission data on a sizeable sample size of pneumatic controllers that would serve several purposes: (1) inform emission inventory work underway, (2) develop protocol for use of EPA-R8’s Hi-Flow Sampler by compliance staff in the future, (3) build tribal capacity by training environmental staff on use of Hi-Flow and IR camera, and 4) spotlight this emission source to encourage Industry to tackle reductions voluntarily from “existing” sources as well as inform on the impact on emissions from maintenance practices.
- EPA nominated the Tribe’s Community Outreach Coordinator, Mario Moore, to attend ORD’s Community Air Sensor Training on July 9, 2015. We are waiting to hear if he’s been selected.

#### **IV. Monitoring**

- 5-year Network Assessment due July 1, 2015; we encourage DAQ to make that a useful document for your internal long range planning
- Near road NO<sub>2</sub>: Under CD, EPA must take action on Utah NO<sub>2</sub> Infrastructure SIP in FY2016; lack of Near Road NO<sub>2</sub> site will be problematic
  - CO and PM<sub>2.5</sub> monitors were required at the near road site by Jan. 1, 2015, so those two monitoring networks are also non-compliant with infrastructure requirements of the revised NAAQS
- PM<sub>2.5</sub> Grant Application needed by April 30, 2015 (earlier is preferred, to allow EPA time to award the grant).

- Grants will be closed March 31, 2016, so we would appreciate efforts to spend all the awarded funds within the next 12 months
- A Technical Systems Audit is planned for 2015

## V. Permitting

Title V and NSR permitting: Utah's title V and NSR permitting programs continue to be very well run. EPA continues to review title V permit actions, as well as any major NSR permit actions, and Utah continues to respond adequately to all of EPA's comments.

On 1/27/15, EPA received a letter from two Utah enviro groups (Utah Physicians for a Healthy Environment and HEAL Utah), raising an issue about NSPS subpart AAAA applicability (the small municipal waste combustor rule) for a proposed new facility (Navitus). EPA and the State are discussing the matter.

Deseret – EPA's final Title V permit was issued 12/3/14 and has been appealed by the Sierra Club. Meanwhile, EPA received extensive comments from Sierra Club, Deseret and NPS on a proposed PSD correction permit. EPA has informed the Environmental Appeals Board that an attempt will be made to pursue Alternative Dispute Resolution (ADR) with Sierra Club and Deseret.

## VI. SIP Update

### 4-Year SIP Management Plan – Progress Check-in

We proposed approval in November 2014 for the mobile source inspection/maintenance (I/M) program portion of the Cache County PM<sub>2.5</sub> nonattainment area SIP and plan to finalize our action in May/June 2015. (3 SIPs)

We are drafting an approval action of Utah's 23 area source rules to meet reasonably available control measures (RACM) for the PM<sub>2.5</sub> nonattainment areas and plan to propose our action in May 2015. (9 SIPs) We needed the December 2014 submittal with revised rule language, before we could propose our action.

### 128 Rulemaking Status – What is the status of your SIP submittal for incorporating section 128 provisions?

We partially disapproved Utah's 1997 and 2006 PM<sub>2.5</sub> iSIP in October 2013 because their submission did not address requirements of 128 as they apply under current state law (two bills enacted by the state in 2012 amended sections of the Utah Code which had previously been approved into Utah's SIP). **The FIP clock runs out on November 25, 2015.**

We heard from Colleen that they are trying to meet with AG the week of April 20<sup>th</sup>. Utah has a lot of the elements already in state rules and statutes. They need to determine how to piece the elements into a SIP submittal and determine whether there are any legal issues involved with including the documents into the SIP.

Section 128 requires SIPs to contain provisions governing State boards that “approve permits or enforcement orders.”

- **128(a)(1):** A majority of the members of the board must “represent the public interest and not derive a significant portion of their income from persons subject to permits or enforcement orders”; and
- **128(a)(2):** Members of the board must “adequately disclose potential conflicts of interest.” This disclosure provision applies to head of executive agency when there is no multi-member board that approves permits/orders.

Utah statutes have a general disclosure requirement for public officers and employees. However, it doesn’t address income outside of employment or interests held by family members.

When we disapproved Utah for element (E)(ii), there were adverse comments that pointed out that the Director is a member of the Air Quality Board, and there are some rules regarding conflicts of interest for board members. We responded that (among other things) these rules appeared to only apply to board matters, which after the recent amendments to state law doesn’t include permits or orders.

#### Utah County MVEB Trading Rule

Region 8 is working on a direct-final SIP action (which would be effective 30 days after the comment period closes if no adverse comments are submitted) to approve the Utah County MVEB Trading Rule, which was submitted on March 9, 2015. The rule is necessary so that Utah can demonstrate conformity to the MVEB's that are part of the Utah County's PM10 attainment SIP. EPA's final action to approve this SIP submittal is needed by June 2015 in order for Utah to avoid entering into a 12-month "conformity lapse" grace period. Both the state of Utah and the Mountainland Association of Governments (MAG) have a strong desire in avoiding this conformity lapse grace period as it could potentially result in new transportation projects not being allowed to move forward with federal funding.

However, it will not be possible to avoid MAG entering into a short conformity lapse grace period as the direct final rule would need to publish in the Federal Register on April 17 in order to be effective by the June 17 conformity lapse deadline. We will be making best efforts to minimize the amount of time that MAG will be in the conformity lapse grace period. **(Plan to have to RA for signature the week of April 20<sup>th</sup>.)**

Region 8 does not view a potential conformity lapse grace period as negatively as do the UDAQ and MAG. The intent of the grace period is to allow time for issues to be addressed such that MAG can perform a positive conformity determination on its Regional Transportation Plan. During the conformity lapse grace period the direct impacts to transportation projects are not major as existing projects can still proceed, but MAG would not be able to add new non-exempt transportation projects to its Regional Transportation Plan and Transportation Improvement Plan even if additional federal funding had been identified.

PM2.5/PM10 SIPs**PM2.5**

- Utah submitted the PM<sub>2.5</sub> moderate area SIP updates for the Cache County area, Salt Lake 5-county area and Utah area on December 23, 2014 (were due December 31, 2014). The SIP updates are still incomplete and we still have disapproval issues with some aspects of the updates (milestones, reasonable further progress, reasonably available control technology (RACT) for major sources).
- Utah will not meet the moderate area attainment date of December 31, 2015 for the Salt Lake 5-county area, Utah area, and Cache County area. The Salt Lake and Utah areas will be reclassified to “serious” and will be required to submit a “serious” area attainment SIP for the Salt Lake and Utah areas 18 months after the effective date of the reclassification notice (late 2017/early 2018) and be in attainment by December 2019.

**PM10**

- Related to settlement negotiations with Utah Physicians for not issuing a title V operating permit to a major source, Utah agreed to submit revised PM10 maintenance SIPs to us by December 2015. Utah has been revising the construction permit limits for many of the major sources over the last several years without EPA’s approval to revise the underlying PM10 SIPs’ requirements. So, the SIP and construction permit requirements conflict.
- We proposed a partial disapproval of the original PM10 SIPs in December 2009 and Utah withdrew the SIPs in October 2011.

In a December 2014 meeting between OPRA/Air Program and Utah’s Division of Environmental Quality management, it was agreed that the Region and state would work on the PM2.5 issues/technical work concurrently with the PM10 issues, so Utah could meet its December 2015 settlement deadline for revised PM10 maintenance SIPs. The Region needs to act on complete PM2.5 SIPs in order to meet the moderate area SIP requirements. However, there are some aspects of the PM2.5 SIPs that we are working on now to propose/finalize.

To meet the December 2015 PM10 SIP date, Utah plans to public notice the SIP in October 2015, respond to comments in November and request its Board approval on December 2, 2015 with submittal to us later in December. The state will work on the actual revisions to the PM2.5 SIPs in early 2016.

The Utah PM2.5 team (state and Regional staff/management) drafted PM10 and PM2.5 task lists to follow in order to address the issues associated with the respective SIPs. A team meeting is held monthly (first one held in February 2015) to check in on progress on the task lists. Subgroups are meeting weekly to bi-weekly to discuss/find resolutions to their specific issues (modeling, control technologies, etc.).

## VII. Other

Air Toxics: We continue to request that UT review the preliminary 2011 NATA data that Region 8 and Headquarters have provided to states.

NEPA Update: Work is currently focused on the final EIS for the Monument Butte project. EPA and BLM met to work out a proposal to meet BLM's responsibility to apply enhanced mitigation in the Uinta Basin. The strategy includes considerations for emission reductions at existing source (stationary source VOCs), DI&M program (with optical gas imaging), and an ozone action plan for ozone episodes. This strategy may also be applied to Chapita Wells, which will soon be at the draft EIS stage. In addition we have received initial information for the Crescent Point proposal. Several other EISs and EAs in the Uinta Basin will require further attention to meet requirements established by BLM for further mitigation. In addition we are working on the Sevier Playa Potash mine, awaiting the final EIS for the Moab Master Leasing Plan, the draft SEIS for the Enefit Oil Shale utility corridor. We look forward to working with BLM and others including the state in crafting a viable path forward for oil and gas and other development in Utah and specifically within the Uinta Basin to address current air quality concerns.

Indoor Air: As with the past few years, funding for Utah's Radon Program was once again delayed. This year they received partial funding of \$8,925 in the beginning of the fiscal year. We anticipate they will receive an additional \$36,075 in funding which will be awarded through the PPG process that is already underway. This will fully fund their Program at \$45,000.

White Mesa Mill: The Ute Mountain Ute Tribe, Uranium Watch and Grand Canyon Trust all continue to raise separate but related concerns about the White Mesa Mill. Most recently, we received a letter from Grand Canyon Trust and Uranium Watch regarding radon-222 emissions from liquid-covered impoundments at the mill. The Tribe also continues to request consultation with Janet McCabe on issues at the mill. We are coordinating with our RCRA program (as it relates to the Off-Site Rule), air enforcement and headquarters on all of the concerns raised.

Modeling: DAQ has made significant progress in photochemical air quality modeling to support the 24-hour average PM<sub>2.5</sub> SIP in the Wasatch Front and ozone in the Uinta Basin, however, significant challenges remain in modeling meteorological conditions and winter photochemistry that cause high levels of PM<sub>2.5</sub> and ozone in winter. DAQ and the Region are continuing to work together to evaluate approaches to improve model performance. For winter ozone, uncertainty in the oil and gas emissions inventory has been identified as a key topic for which additional study is needed, and work is in progress to develop updated emissions inventories in the Uinta Basin.